Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of))) CC Docket No. 00-257
2000 Biennial Regulatory Review) CC DOCKET NO. 00-237
Review of Policies and Rules Concerning)
Unauthorized Changes of Consumers)
Long Distance Carriers)
Implementation of the Subscriber Carrier))
Selection Change Provisions of the)
Telecommunications Act of 1996) CC Docket No. 94-129
Policies and Rules Concerning)
Unauthorized Changes of Consumers)
Long Distance)
	Ĺ

REPLY COMMENTS OF THE ASSOCIATION OF COMMUNICATIONS ENTERPRISES

The Association of Communications Enterprises ("ASCENT"), through undersigned counsel, and pursuant to Section 1.429(g) of the Commission's Rules, hereby replies to comments on petitions for reconsideration and/or clarification of the *First Report and Order in CC Docket No. 00-257 and Fourth Report and Order in CC Docket No. 94-129*, FCC 01-156 (rel. May 15, 2001) (the "*Fourth Report and Order*") filed by AT&T Corp. ("AT&T"), Qwest Corporation ("Qwest"), the Verizon telephone companies ("Verizon") and SBC Communications, Inc. ("SBC") in the above-referenced proceeding (the "Petitions").

¹ 47 C.F.R. § 1.429(g).

ASCENT notes at the outset that only one commenter, the United States Telecom Association ("USTA"), supports "certain common positions" advanced by Qwest, Verizon and SBC (collectively, the "Incumbent LEC Petitioners"). In particular, USTA supports "Qwest's viewpoint that it is inappropriate to require an acquiring carrier compelled to take back or assume customers from another carrier to be absolutely responsible for (a) notifying customers about the decision of the transferring carrier and its consequences; and (b) bearing (b implication) the costs of notification", "SBC's and Verizon's commonly held positions that the acquiring carriers not be required to provide advance written notice to affected subscribers where a state imposes such a responsibility on the exiting carrier", and Verizon's and SBC's request that incumbent LECs be permitted to recover carrier change charges in a manner not contemplated by the *Fourth Report and Order* and not available to other carriers. Unfortunately, USTA's abbreviated comments amount to nothing more than a generalized expression of agreement with the above positions, lacking evidentiary or even policy-based justification in support thereof. Accordingly, ASCENT urges the Commission to attach little (if any) weight to USTA's comments.

² Comments of the United States Telecom Association ("USTA"), pp. 2-3.

³ <u>Id</u>., p. 3.

^{4 &}lt;u>Id</u>.

With respect to the issue of whether all acquiring carriers -- including incumbent local exchange carriers ("LECs") -- will remain responsible for carrier change charges, if any, associated with a customer base transfer, WorldCom, Inc. ("WorldCom") and Sprint Corporation ("Sprint") are in accord with ASCENT's position that the Commission should refrain from exempting incumbent LECs from responsibility for such carrier change charges. Sprint notes that while Verizon does not challenge the Commission's "reasonable conclusion that 'because the carrier changes associated with a carrier-to-carrier sale or transfer are involuntary, subscribers should not bear the burden of the cost of changing service providers'" the modification suggested by Verizon would be ill-advised since it "may well deter a customer from switching from an ILEC to a CLEC in the first place, since the ILEC could make it known that the subscriber will have to pay the costs of resuming ILEC service in the event the CLEC exits the market."

Like ASCENT, WorldCom also recognizes that "not requiring default acquiring carriers to be responsible for any carrier change charges associated with a carrier-to-carrier sale or transfer could afford default acquiring carriers a competitive advantage unintended by the Commission." Further demonstrating that the concession sought by the Incumbent LEC Petitioners would be adverse to the public interest, WorldCom continues:

Under SBC's proposal, default carriers could acquire the customer bases of exiting carriers at no charge. If it is significantly less costly for LECs to acquire subscribers by default than by negotiation, default acquiring LECs have no incentive to negotiate with competitors for those customers. Thus, default acquiring LECs, like SBC, can

⁵ Comments of Sprint Corporation ("Sprint"), p. 4.

^{6 &}lt;u>Id</u>.

⁷ Comments of WorldCom, Inc. ("WorldCom"), p. 4.

use their monopoly power as the default provider to acquire customers at no cost.⁸

ASCENT joins these commenters in urging the Commission to refrain from exempting incumbent

LECs from responsibility for carrier change charges, if any, arising from customer base transfers.

8 <u>Id</u>.

Also consistent with its comments in this matter, ASCENT joins WorldCom in support of AT&T Corp.'s ("AT&T") request that the Commission confirm the streamlined rules do not impose more stringent notification requirements than had been required by the Commission under the previous waiver paradigm. ASCENT agrees with WorldCom that "the Commission merely intended to institutionalize the amount of detail already required under the waiver process. The Commission did not intend to expand upon carriers' obligations, but to simply describe the amount of information carriers are currently required to provide."

Consistent with the foregoing, the Association of Communications Enterprises again urges the Commission (i) to confirm that carriers will indeed be deemed to have satisfied the streamlined advanced disclosure requirements by providing the same degree of detail concerning services as would have sufficed under the waiver paradigm; and (ii) to refrain from exempting incumbent LECs from responsibility for carrier change charges, if any, arising from customer base transfers. While not addressed specifically herein, ASCENT also repeats its request, set forth more fully in its comments, that the Commission confirm that competitive LECs may seek Common

9 Id.

- 5 -

Carrier Bureau case-by-case resolution of situations where full compliance with the streamlined rules would otherwise result in loss of service to consumers.

Respectfully submitted,

ASSOCIATION OF COMMUNICATIONS ENTERPRISES

By:_	
	Charles C. Hunter
	Catherine M. Hannan
	HUNTER COMMUNICATIONS LAW GROU

1424 Sixteenth Street, N.W., Suite 105

Washington, D.C. 20036

(202) 293-2500

August 6, 2001

Its Attorneys

CERTIFICATE OF SERVICE

I, Catherine M. Hannan, do hereby certify that a true a correct copy of the foregoing

Comments of the Association of Communications Enterprises has been served by the First Class

Mail, postage prepaid, on the individuals listed below, on this 6th day of August, 2001:

Mark C. Rosenblum Peter H. Jacoby AT&T Corp. Room 1134L2 295 North Maple Avenue Basking Ridge, NJ 07920

Sharon J. Devine Kathryn Marie Krause Suite 700 1020 19th Street, N.W. Washington, D.C. 20036

Mary L. Brown Karen M. Johnson WorldCom, Inc. 1133 19th Street, N.W. Washington, D.C. 20036

Lawrence E. Sarjeant
Linda L. Kent
Keith Townsend
John W. Hunter
Julie E. Rones
United States Telecom Association
1401 H Street, N.W., Suite 600
Washington, D.C. 20005-2164

John M. Goodman Verizon 1300 I Street, N.W. Washington, D.C. 20005

> Davida Grant Roger K. Toppins Paul K. Mancini SBC Communications Inc. 1401 I Street, N.W. 11th Floor Washington DC 20005

Michael B. Fingerhut Richard Juhnke Sprint Corporation 401 9th Street, N.W., Suite 400 Washington, D.C. 20004

 Catherine M. Hannan	